External debt

2174. SHRIMATI S.G. INDIRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that in December, 2003, India's external debt stood at U.S. dollar 112.1 billion up by U.S. dollar 6.8 billion over the level of end December, 2002;

(b) whether it is also a fact that the decision to do away with two popular NRI schemes resulted in this increase;

(c) if so, the details thereof; and

(d) whether Government are considering to re-introduce Non-Resident (Non-repatriable) Rupee Deposit and the Non-Resident Special Rupee Deposit Scheme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) Yes, Sir.

(b) and (c) The increase in the external debt was mainly due to the surge in the NRI deposits. One of the reasons for the increase in the NRI deposits was the discontinuation of the Non-Resident (Non-repatriable) Rupee Deposit [NR(NR)RD] scheme with effect from April 1, 2002, which partly resulted in the higher inflows into the Non-Resident (External) Rupee Account [NR(E)RA] as the maturity proceeds of the [NR(NR)RD] were allowed to be credited to the [NR (E)RA]. Under the existing practice for compilation of external debt statistics, the deposits under the [NR(NR)RD] scheme did not form part of external debt, as the principal amount under the scheme was not repatriable. However, on discontinuation of this scheme and the subsequent crediting of maturity proceeds of [NR(NR)RD] deposits to the [NR(E)RA], these deposits are now reckoned as external debt liabilities.

(d) No such proposal is under consideration.

Regional Rural Banks and Co-operative Banks

†2175. PROF. M.M. AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) the details of Regional Rural Banks and Co-operative Banks functioning in the country as on 31st July, 2004, State-wise;

†Original notice of the question was received in Hindi

(b) whether Government have taken necessary steps to review the functioning of these Banks,

(c) if so, the details thereof,

(d) whether Government have prepared any financial package to remove the financial difficulties being faced by these Banks, and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S S PALANIMANICKAM) (a) State-wise details of Regional Rural Banks (RRBs) and Co-operative Banks functioning in the country are given in the Statement (*See* below)

(b) and (c) Various steps taken by Government, RBI and NABARD to improve the functioning of RRBs and Co-operative Banks include

Regional Rural Banks

- Holding the sponsor banks squarely responsible for the performance of their RRBs
- Each RRB is required to prepare a Development Action Plan (DAP) and Memorandum of Understanding (MoU) with their sponsor banks for fulfilment of various sector-wise target The performance of this is reviewed at the state level review committee meetings
- NABARD Convenes state level coordination and review committee meetings every six months to review the performance of RRBs
- Preformance of RRBs in respect of thier credit plans are reviewed in the BLBC/DLRC/DCC/SLBC meetings
- RRBs are required to submit various statutory returns periodically which *inter-alia* cover the functioning of RRBs and compliance to the various sections of Banking Regulation Act, 1949

Cooperative Banks

- District Central Co-operative Banks (DCCBs) are required to prepare Development Action Plan (DAP) which provide planned growth of the banks and sign a memorandum of understanding with the State Co-operative Banks (SCBs) The state co-operative banks in turn sign MoU with NABARD and the State Government

Implementation of DAP/MoU is monitored in the review meetings at the state and district level.

- NABARD also conduct statutory inspection of SCBs and DCCs during which the entire functioning of Co-operative banks, compliance to various provisions of B.R. Act are thoroughly examined.
- Co-operative banks are also required to submit various periodical statutory returns to RBI/NABARD which *inter-alia* cover the functioning of these banks.
- Periodic visits by officials of NABARD regional offices.
- Off-site surveillance.

(d) and (e) Following measures have been taken to remove the financial difficulties being faced by these Banks

Regional Rural Banks

Out of 196 RRBs, 187 RRBs were provided recapitalisation assistance amounting to Rs. 2188.42 crore upto the year 2000.

Co-operative Banks

- In August 2004 Government has constituted a task force, the terms of reference of which include, *inter-alia*, making an assessment of the financial assistance required for revival of cooperative banks.

Statement

State-wise Regional Rural Banks, State Cooperative Banks and District Central Cooperative Banks as on 31-7-2004

Sl.No.	States	No of RRBs	No of State Coop. Banks (SCBs)	No. of District Central Coop Banks (DCCBs)
1	Andaman & Nicobar	-	1	-
2	Andhra Pradesh	16	1	22
3	Arunachal Pradesh	1	1	-
4	Assam	5	1	-
5	Bihar	16	1	22
6	Chandigarh	-	1	-
7	Chhattisgarh	5	1	6
8	Delhi	-	1	-

Sl.No.	States	No. of RRBs	No. of State Coop. Banks (SCBs)	No. of District Central Coop. Banks (DCCBs)
9	Goa	-	1	-
10	Gujarat	9	1	18
11	Haryana	4	1	19
12	Himachal Pradesh	2	1	3
13	Jammu & Kashmir	3	1	2
14	Jharkhand	6	-	8
15	Karnataka	13	1	20
16	Kerala	2	1	14
17	Madhya Pradesh	19	1	38
18	Maharashtra	10	1	32
19	Manipur	1	1	-
20	Meghalaya	1	1	-
21	Mizoram	1	1	-
22	Nagaland	1	1	-
23	Orissa	9	1	17
24	Pondicherry	-	1	-
25	Punjab	5	1	18
26	Rajasthan	14	1	26
27	Sikkim	-	1	-
28	Tamil Nadu	3	1	25
29	Tripura	1	1	-
30	Uttar Pradesh	36	1	50
31	Uttaranchal	4	-	9
32	West Bengal	9	1	17
	ALL INDIA	196	30	366

Loan to farmers

2176. SHRIMATI SAVITA SHARDA: Will the Minister of FINANCE be pleased to state:

(a) the number of farmers benefited from loans disbursed in rural areas by the banks during the last three years;

(b) whether the number of farmers benefited from loans is less than the target set therefor; and

(c) if so, the reasons therefor?